

# Pension *News*

Internet Edition

A Newsletter Published for Retired Public Employees of New Jersey

## Quality Customer Service Is Our Goal

At the Division of Pensions and Benefits, we aim to provide you with quality customer service. We place great importance on achieving this goal, and we want to ensure that you have the necessary information, and know what action to take, whenever a pension-related issue arises. Using a question and answer format, let us examine a number of common concerns that retirees of our State-administered pension systems may encounter, and the best possible action in each instance.



### Updating Your Home Address

**Q. I am planning on moving in two months. I want to be sure the Division sends my retirement checks to the right place. What is the best way to handle this?**

**A.** Informing the Division of a change of address promptly helps to ensure that you will receive your monthly pension check at your new address without delay.

There are several ways to update your home address information with the Division:

- ✓ Write to Pension Payroll, Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295. Include your name, Social Security number or retirement number, both the old and new addresses, the date of the move, your daytime telephone number, and your signature;
- ✓ Call (609) 292-MOVE, or (609) 292-6683. Please have your Social Security number or retirement number on hand;
- ✓ Use our Internet *Change of Address* form. Go to the Division's Web site at: [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions) Under "QuickLinks", click on "Online Change of Address for Retirees." Enter the information requested and hit "Submit."

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If you use Direct Deposit (see article on page 5), the mailing of your *Statement of Allowances and Deductions* will continue without interruption, when there are changes to your account. However, keeping your home address up to date will assure that you continue to receive other important information from the Division, including the Pension/News newsletter, 1099-R tax forms, and any changes in your State Health Benefits Program (SHBP) plan coverage, if you are enrolled in the SHBP.

**Q. What about the address for my State Deferred Compensation Plan or SACT Accounts?**

**A.** The New Jersey State Employees Deferred Compensation Plan and the Supplemental Annuity Collective Trust (SACT) Fund of New Jersey are operated as independent programs. Address changes for your pension do not automatically carry over to these plans.

(continued on page 3, see "Our Goal")

# A Letter to Retirees from the State Treasurer



JAMES E. MCGREEVEY  
*Governor*

State of New Jersey  
OFFICE OF THE STATE TREASURER  
PO Box 002  
TRENTON, NJ 08625-0002

JOHN E. MCCORMAC, C.P.A.  
*State Treasurer*

Dear Retiree,

The performance of New Jersey's pension investment portfolio has been the subject of considerable attention and concern over the last several months. The decline in the portfolio's market value, while troubling at \$27 billion over the last two years, in no way diminishes New Jersey's obligations to pension beneficiaries. Our public pension funds remain secure, and retirees can rest assured that New Jersey's commitment to benefits remains as strong and unwavering as ever.

Although more than half of the state retirement systems around the country are underfunded, the retirement systems managed by the State of New Jersey have a ratio of assets-to-liabilities of 109.2%. According to the 2002 *Wilshire Report on State Retirement Systems*, New Jersey's pension systems are fourth best in the country in asset-to-liability ratio behind only Florida, Arizona, and North Carolina. The assets-to-liability ratio is the most common measure of pension fund health. This means that there are more assets in our pension funds than needed to pay the retirement benefits for all members of the various New Jersey retirement systems.

The retirement benefits of the plans administered by the New Jersey Division of Pensions and Benefits (with the exception of the Alternate Benefit Program) are defined benefit plans. This means that the retirement allowance that members collect is not determined by the investment performance of the fund, but rather by the member's years of pension membership and salary. Those retirement benefits are guaranteed by State law. In summary, despite recent losses in the stock market experienced by the pension funds of all states, New Jersey retirement systems remain secure.

While benefits remain guaranteed, I remain committed to bringing New Jersey's investment performance back to the point of exceeding long-term growth assumptions. In a few months, we will receive a report from an independent fiduciary auditor on our pension investment strategies and policies. From there, our goal is to strengthen New Jersey's fiscal hand as we manage our obligations to retired public employees for many more generations to come. I pledge to keep you up to date on the success of our efforts in future issues of *PensionNews*.

John E. McCormac

A handwritten signature of John E. McCormac in dark ink, appearing as "John E. McCormac".

State Treasurer

# Welcome to Our New Director

**O**n September 11, 2002, Governor James E. McGreevey nominated **Frederick J. Beaver** to the position of Director of the Division of Pensions and Benefits. Mr. Beaver served as Acting Director until the State Senate confirmed his nomination as Director on October 31, 2002. As Director of the Division of Pensions and Benefits, he oversees the State-administered pension funds and the Division's many benefit programs.

Director Beaver comes to the Division after a thirty-year career in the private sector—at Exelon Corporation in Philadelphia (formerly PECO Energy). There, he gained a wealth of experience in pension and health and welfare benefit plans. We extend a warm welcome to Director Beaver, and look forward with confidence to the leadership he will provide to the Division in the coming years.



## Our Goal *(continued from page 1)*

If you wish to change your address on a Deferred Compensation and/or a SACT account, you must specifically tell us that when you submit your change of address for your pension. Or, you may call Deferred Compensation directly, at (609) 292-3605, or SACT, at (609) 633-2031, to obtain the required forms.

### Adjusting the Federal or State Income Tax Amount Withheld from Your Monthly Pension Allowance

**Q. At retirement, I requested both State and federal income tax be withheld from my monthly pension payment. I had to pay additional income tax, so I need to increase my withholding. How can I adjust the amounts of federal and/or State income tax withheld from my monthly pension allowance so I won't owe so much income tax in future years?**

**A.** To change the amount of federal income tax withheld from your pension payment, use the federal *W-4P* form. This federal income tax withholding form asks whether you are single or married, and the number of allowances you wish to claim. As the federal government requires, the federal tax tables are applied to the marital status and number of allowances that you indicate on the withholding form and the gross allowance you receive, to determine how much tax is withheld. The "Federal Exemptions" box on your *Statement of Allowances and Deductions* (pension check stub) shows the federal tax filing status you currently have on file. For example, M002 means you have indicated that you are married with two allowances, while S001 would mean single with one allowance.

If you wish to have more tax withheld than the tax tables require, there is an "Optional Additional Deductions" box on the form, in which you can enter the amount you want

withheld **in addition to the amount required by the tax tables**. If you never entered a figure in this box previously, and you want to increase your federal withholding tax by \$20, simply enter \$20 there. However, if you previously asked for an additional \$50 to be withheld, and you now want to increase that by \$20, you must enter \$70 in the additional amount box, not \$20, since that amount will **replace** the additional amount you had previously requested.

If you are not sure if you previously requested "Optional Additional Deductions" be withheld, you should contact the Division of Pensions and Benefits to determine this — your *Statement of Allowances and Deductions* does not indicate if additional withholding is currently in effect.

Adjusting your New Jersey income tax withholding is simpler. On the *New Jersey W-4P* form, specify the dollar amount you want withheld each month. That figure will replace any figure you had previously requested.

While the Division of Pensions and Benefits cannot offer tax advice, general information, along with both the federal *W-4P* and the New Jersey *W-4P* forms, can be obtained from the Division by contacting the Benefit Information Library, at (609) 777-1931 from a touch-tone phone. Follow the prompts and enter selection number 122.

Federal and New Jersey *W-4P* forms are also available from the Division's Web site at: [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions). Find the "Forms" section (bottom right hand corner of the home page), click on the *NJ-W-4P* form link or the federal *W-4P* link, and print.

If you need specific advice on completing the federal *W-4P*, please call the IRS at 1-800-TAX-1040. For advice regarding the *New Jersey W-4P*, call the New Jersey Division of Taxation at 1-800-323-4400.

**Watch for more useful tips and information in future issues of the PensionNews.**

## Retirement Check Schedule for 2003

Listed below are the dates indicating when retirement checks will be delivered to the United States Post Office. Please add several days to the mailing date given for an approximate date of delivery to your home address. Electronic Fund Transfer (EFT) effective dates for monthly retirement allowance payments are normally on the first day of the month, unless the first falls on a Saturday, Sunday, or State holiday. In 2003, alternate EFT effective dates will occur on January 31, February 28, May 30, August 29, October 31, and December 31.

Check Date	Mail Date	Check Date	Mail Date	Check Date	Mail Date
02/01/2003	01/29/2003	06/01/2003	05/28/2003	10/01/2003	09/26/2003
03/01/2003	02/26/2003	07/01/2003	06/26/2003	11/01/2003	10/29/2003
04/01/2003	03/27/2003	08/01/2003	07/29/2003	12/01/2003	11/26/2003
05/01/2003	04/28/2003	09/01/2003	08/27/2003	01/01/2004	12/29/2003

## Retirement Check Changes

As of January 1, 2003, retirement checks and *Statements of Allowances and Deductions* issued to retirees of the New Jersey State-administered pension funds will no longer have members' Social Security numbers printed on them. In addition, bank account numbers and bank routing numbers will no longer be printed on the Electronic Fund Transfer *Statements of Allowances and Deductions*. With these changes, the Division of Pensions and Benefits is eliminating the unnecessary use of your personal information, thereby helping to prevent theft of your identity. For more information on identity theft and ways you can protect yourself from becoming a victim, read the article below, "Protect Yourself from Identity Theft."



## Protect Yourself from Identity Theft

Many of us have experienced that sinking feeling when we reach for a credit card to pay for a purchase and it appears to be missing. Fear grips us as we envision someone else making extravagant purchases with our credit card, running up the balance to levels that we couldn't possibly afford to pay. We search our purses, our wallets, and our pockets, and if we are unable to find the missing credit card, we rush home to cancel it.

Identity theft occurs whenever a criminal uses another individual's personal information to take on that person's identity. Using a stolen credit card to make purchases under someone else's name is just one form. An identity thief may steal or fraudulently obtain your driver's license, Social Security number, bank account number, telephone calling card, or other personal documents or information. The identity thief then uses your personal information to make purchases, write checks, or carry out other illegal

activities, leaving you to fight to get your good name back.

How do such criminals get your personal information? The most obvious method is by stealing your wallet, your purse, or your suitcase. But they use other methods as well. They may steal personal information from your mailbox. They may search your trash for old credit card or bank account statements or access your personal information from the Internet. Posing as a landlord or an employer, they may fraudulently obtain your credit report or your business or personnel records from present or past employment.

Once identity thieves have obtained your personal information, they may use it to apply for credit cards, auto loans, or phone service, or open new bank accounts, leaving you with the responsibility to pay for goods or services illegally obtained in your name. They may use your Social Security number to secure employment or

(continued on next page)

# Direct Deposit Saves Time and Prevents Delays

**D**irect Deposit, more properly known as Electronic Fund Transfer (EFT), is an easy, convenient way to ensure that your monthly retirement check arrives automatically at your bank. Since deposits occur electronically, there is no need to wait for the check to arrive in the mail, and you can pay your bills on time. The extra trip to the bank to cash your check or make a deposit is also eliminated. In this way, EFT can save you time, and your money is available on time, every month. Sixty-eight percent of our retirees already use EFT.

It's easy to start EFT for your pension check. First, choose a bank that provides Electronic Fund Transfer for its customers. Most banks now perform this service. Next, obtain and fill out an *Authorization for Direct Deposit* form. This authorization form can be obtained by calling the Division's Benefit Information Library, at (609) 777-1931. Choose information selection number 104. After the recorded message, you can request the *Authorization for Direct Deposit* by mail or by fax. Or, you may wish to download and print the application from the Division's Internet site, at: [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions) The *Authorization for Direct Deposit* is in the "Forms" section at the bottom of the home page.

After you sign up for EFT, you will receive a *Statement of Allowances and Deductions* when your first monthly pension allowance is directly deposited to your account. Like a check stub, the *Statement of Allowances and Deductions* shows your monthly pension allowance, and includes all of the amounts credited to and deducted from your pension. Keep your initial statement as a guide to what is added to or deducted from your retirement allowance. When a change involving your pension allowance or your EFT account occurs, you will receive a new statement indicating what has changed.

## Statement Information over the Phone

If you misplace the last *Statement of Allowances and Deductions* or check stub you received and need to verify your allowances and deductions, you can call our Automated Information System at any time and obtain this information. Just call (609) 777-1777 from a touch-tone phone 24 hours a day, 7 days a week. After the initial prompt, enter your Social Security number and verify that it is correct. Next, choose selection number 3, "retirement information." Then choose selection 3 after the next prompt, "statement of your allowances and deductions."



## Identity Theft (continued from page 4)

apply for Medicare or Social Security benefits. In the end, the problems thus created can take months or years to correct, sometimes at great expense.

We cannot live in a vacuum, but we can take steps to minimize our chances of falling victim to identity theft. Some of the suggestions from the Federal Trade Commission's Web site, [www.ftc.gov](http://www.ftc.gov) include:

- ✓ Don't give out personal information over the phone, by mail, or over the Internet, unless you have initiated the contact.
- ✓ Empty your home mailbox promptly. Call the U.S. Postal Service to request a vacation hold if you will be out of town.
- ✓ Tear or shred charge receipts, bank statements, and other such documents before throwing them in the trash.

- ✓ Keep your Social Security card in a secure place — don't carry it with you. Give out your Social Security number (SSN) only when absolutely necessary, and ask questions about why the SSN is needed. If uncomfortable with the responses, don't give it out.
- ✓ Be wary of promotional scams. Identity thieves use phony offers to get personal information over the phone, by mail, or via the Internet.
- ✓ If you have a computer with Internet access, update your virus protection software regularly. Download files only if you know and trust the sender. Delete all other files without opening them.

*For more information about identity theft, including other ways to prevent it and what to do if you become a victim, visit the Department of Banking and Insurance's Web site at: [www.state.nj.us/dobi/identitytheft.htm](http://www.state.nj.us/dobi/identitytheft.htm)*





## Retiree Spotlight

### Places in New Jersey Worth the Visit

**N**ew Jersey is a small state, but considering its size, it offers a great deal of diversity, in its landscape, its history, and its people. You can spend time in the mountains, at the shore, or along a quiet riverfront without traveling far. And New Jersey is rich in history — one of the original thirteen colonies, and home to Swedish, Dutch, English, and Lenni Lenape settlements before that. People from around the world now call New Jersey home, so cultural diversity abounds. The places worth visiting submitted by our readers offer a taste of all that New Jersey has to offer.

Atlantic City has long been a popular vacation destination, and the site of the Miss America Pageant. Now, with the draw of the casinos, visitors travel here from around the world. **Ms. Weda M. Mosellie**, who retired from the Phillipsburg Board of Education in 2001, finds Atlantic City a fun place to visit for other reasons as well. She has vacationed there with her family over the years, staying at small hotels or boarding houses, and dining at local restaurants, such as the now defunct Captain Starn's. She still enjoys the smaller and friendlier side of Atlantic City. The Atlantic City Historical Museum, where the admission is free, is worth visiting. To satisfy the palate, one can stop at the Mr. Peanut Shop or buy salt-water taffy on the boardwalk; on Arctic Avenue, try the Formica Bakery or the world-famous White House Sub Shop, which has been visited by many celebrities. Of course, the beach and the ocean are beautiful, especially at sunset.

**Mr. Eugene Taylor**, who retired in 1986 from Salem Community College, takes us to another interesting area of New Jersey, where the Delaware River runs into the Delaware Bay. It is both beautiful and of historic interest, as there are three late nineteenth-century forts in the area. Fort Mott, in Pennsville, is now part of the New Jersey State Park System. From Fort Mott, there is a seasonal passenger ferry to Fort Delaware, on Pea Patch Island in the Delaware River, and Fort Dupont, both part of the Delaware State Park System. Mr. Taylor says all three are well maintained and open to visitors.

For more information, visit: (Fort Mott) [www.state.nj.us/dep/forestry/parks/fortmot.htm](http://www.state.nj.us/dep/forestry/parks/fortmot.htm) (Fort Delaware)

[www.destateparks.com/fdsp/fdsp.htm](http://www.destateparks.com/fdsp/fdsp.htm) or (Fort Dupont) [www.destateparks.com/fdsp/fdpp.htm](http://www.destateparks.com/fdsp/fdpp.htm)

Wall Township is near many popular beaches in New Jersey, but **Ms. Theresa Konen**, who retired from the NJ Training School for Boys in 1982, wrote of another "must see" destination there, namely Historic Allaire Village in Allaire State Park. Allaire Village, on both the New Jersey and National Registers of Historic Places, offers living history programs, exhibits, and lectures.

Last year's special events included a George Washington's Birthday celebration, reenactments of Maria Allaire's Wedding and Frances Allaire's Funeral, Election Day in the 1830s, Edgar Allan Poe readings in October, and Christmas at Allaire.

(continued on next page)

## GFOA Scholarship

**E**ach year, the Government Finance Officers Association (GFOA) of New Jersey awards scholarships to children of deceased or disabled persons who have worked in government in the State of New Jersey. The GFOA scholarships are given to provide financial assistance in order to "encourage and promote the advancement of education" among these students. Your child may qualify for this scholarship if you are a government worker who has retired on a disability pension, or if you are the widow/widower of a deceased government worker. You can obtain a scholarship application by downloading it from the GFOA Web site at: [www.gfoanj.org](http://www.gfoanj.org)

To obtain more information please write to:

**GFOA of NJ**  
**PO Box 2018**  
**Clifton, NJ 07015-2018**

Telephone calls will not be accepted for applications. Please note that all applications must be received by April 30, 2003.

## Retiree Spotlight

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Ms. Konen has been a volunteer tour guide and wedding hostess at the village for the last twenty years, while her husband volunteered as a blacksmith. In her words, “Time flies when you’re having fun. You can be there in the pouring rain, clear and cold weather, and summer heat, and still feel refreshed.” For more information, visit:

[www.allairevillage.org](http://www.allairevillage.org)

**Mr. Robert J. Smith**, who retired from the Hunterdon Developmental Center in 1993, wrote of a town in Central New Jersey that is worth a visit because of the notoriety it gained nearly 70 years ago. This tiny town doesn’t appear on many New Jersey maps, so it may be difficult to find, but there is still evidence of the one-day event that made this town famous — a plaque in the middle of a meadow in commemoration.

On October 30, 1938, Orson Welles broadcast a dramatization of a Martian invasion over the radio, based on the novel *War of the Worlds*, by H. G. Wells. The Martian landing site was said to be Grover’s Mill, NJ. Of course, the radio broadcast and the novel on which it was based were fictitious, but many of the twelve million listeners believed this Martian invasion was actually taking place, creating a nationwide panic.

The plaque in the middle of Van Nest Park in Grover’s Mill tells the story: It shows a simulated spaceship, Orson Welles at a lectern, and a frightened family sitting around a radio — in Mr. Smith’s words “the town’s fitting tribute to this historic event.” For more information, visit:

[www.roadsideamerica.com/attract/NJGROUfo.html](http://www.roadsideamerica.com/attract/NJGROUfo.html) or [www.waroftheworlds.org](http://www.waroftheworlds.org)

**Dr. Sam Goldenberg**, who retired from the Morris School District in 1996, wrote of several interesting places he discovered while hiking as a youth near his childhood home in Morristown. One such place was the Gillespie Tower, on the campus of Villa Walsh Academy. From the top of the tower, he could see the Empire State Building. Morristown has many historical sites worth visiting. The National Trust for Historic Preservation selected Morristown as one of only twelve communities across the United States to place on their “Dozen Distinctive Destinations” list of 2002. For more information, visit: [www.nationaltrust.org/dd/2002/morristown.html](http://www.nationaltrust.org/dd/2002/morristown.html)

*Of course, these are only a few of the many fascinating places to see in New Jersey. Visit the State of New*

## Poets' Corner

**O**ur featured poet, **Ms. Dale McCauley**, wrote her poem with autumn in South Jersey in mind, where she resides. Ms. McCauley retired from the Haddon Township Board of Education in 1978.

### AUTUMN

The sycamore, dappled and partially bare,  
Stands exposed in the chill fall air;  
Majestic pine trees still clad in green  
Form a dark background for a bright forest scene.

A glorious tapestry covers the hills;  
As over the plains the bronze and gold spills;  
Low sumac bushes paint roadsides dark red  
Reflecting the scarlet of oaks overhead.

In Hallowe’ en mask and striped winter wrap  
Raccoon awakes from a short autumn nap;  
Canada geese in V’s passing by,  
Honk hoarsely off key as they pepper the sky.

The harvest moon rises – round, cool, aloof,  
Casting long shadows on meadow and roof;  
The odor of wood smoke curling above  
All tell of home, hearth, and love.

Dale McCauley

Jersey Web site, at: [www.state.nj.us](http://www.state.nj.us), for many other interesting suggestions. Under the “Attractions, Arts, Sports, and Recreation” heading in the middle of this page, there are links for Virtual Tours of New Jersey, a Calendar of Events, New Jersey Parks and Forests, Seasonal Activities, and more. In addition, the “Locator” link on the middle right hand side of the page provides listings of coming events in your area — all you have to provide is your ZIP Code.



Have you begun an interesting or unusual hobby in retirement? If so, we would like you to tell us about it! Write to: PensionNews, Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295. Please include your retirement number or Social Security number.

# Pension *News*

January 2003

Division of Pensions and Benefits  
(609) 292-7524

[www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions)

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*This newsletter is published periodically by the New Jersey Division of Pensions and Benefits to provide news and information to all retired public employees of the State of New Jersey. The selections in this publication are for information purposes only, and while every attempt at accuracy is made, it cannot be guaranteed. If there are discrepancies between the information presented here and the law, regulations, or contracts, the latter will govern.*

# The Division of Pensions and Benefits New E-mail Address

The Division of Pensions and Benefits is pleased to announce it has a new e-mail address. Effective October 15, 2002, please use this address when e-mailing the Division:

[pensions.nj@treas.state.nj.us](mailto:pensions.nj@treas.state.nj.us)

The new address is accessible through our Web site; however, if you have us listed in your e-mail address book you will want to update it.

The Division tries to respond to e-mail within three working days; however, some replies may take up to a week, depending upon the complexity of the problem or question submitted.

## Not Online? No Problem!

If you don't have Internet access you can contact the Division of Pensions and Benefits—Office of Client Services by calling (609) 292-7524 between 8:30 a.m. and 4:00 p.m. Monday through Friday (except State holidays), or you can write to the Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295.

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